GOVERNMENT OF INDIA
SHIPPING, ROAD TRANSPORT AND HIGHWAYS
LOK SABHA

UNSTARRED QUESTION NO:197
ANSWERED ON:27.02.2008
COMPENSATION TO ACCIDENT VICTIMS ON NATIONAL HIGHWAYS
Mandal Shri Sanat Kumar

Will the Minister of SHIPPING, ROAD TRANSPORT AND HIGHWAYS be pleased to state:

(a) whether the compensation paid to the victims of Road accidents on the National Highways is meagre;

(b) if so, the details thereof;

(c) whether Government proposes to amend the Motor Vehicles Act to increase the compensation to the victims;

(d) if so, the details thereof; and

(e) the time by which the grant of revised compensation will be effected?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF SHIPPING, ROAD TRANSPORT AND HIGHWAYS (SHRI K.H.MUNIYAPPA)

(a) & (b) No, Sir. The compensation to road accident victim is either paid on 'no fault principle' or on 'fault principle'. The Motor Vehicles Act, 1988 makes provision for compensation only on 'no fault principle'. In case the claimant is not satisfied with the compensation on 'no fault principle' basis, he has the remedy to contest for higher amount under 'fault principle' in Motor Accident Claim Tribunal (MACT) or Civil Court. There is no limit on such compensation, and the MACT or Civil Court can award any amount of compensation depending on the merit of the case.

(c) & (d) Yes, Sir. Some of the important revisions proposed in the Motor Vehicles (Amendment) Bill, 2007 are as under:-

(A) Compensation in hit-and-run cases:-

	Existing	Proposed
Death	Rs.25,000	Rs. 50,000
Grievous Hurt	Rs.12,500	Rs.25,000

(B) Compensation as per the Structured Compensation Formula
1. For death of non-earning persons, a fixed compensation shall be payable:-

(i) Rs.1,00,000/- for children upto 5 years of age.

(ii) Rs.1,50,000/- for persons more than 5 years of age.

2. Compensation in case of injury to non-earning persons in non-fatal accidents.

i. Grievous injury Not exceeding Rs.50,000/-

ii. Non-Grievous Injury Not exceeding Rs.20,000/-

3. Compensation for death or disability in case of earning persons shall depend on the age and annual income of the victim subject to a maximum of Rs.10 lakhs.

4. General damages in case of death:-

Existing Proposed

(i) Pain & Suffering Nil Upto Rs.5,000/-

(ii) Loss of Consortium,
if beneficiary is the spouse Rs.5,000/- Up to Rs.10,000/-

(iii) Loss of estate Rs.2,500/- Upto Rs.5,000/-

(iv) Medical expenses –
incurred before the death
duly supported by bills/
vouchersNot exceeding Not exceeding

Rs.15,000/- Rs.50,000/-

5. General damages in case of disability in non-fatal accidents:-

Existing Proposed

(i) Pain & Suffering –
Non grievous injury Rs.1,000/- Upto Rs.5,000/-

(ii) Pain & Suffering - Grievous
injury Rs.5,000/- Upto Rs.20,000/-

(iii) Medical expenses - incurred
before the death duly
supported by bills/ vouchers Not exceeding Not exceeding

Rs.15,000/- Rs.50,000/-

(e) The time by which the proposed amendment will come into effect cannot be indicated at this stage.